

**This Appraisal Ordered  
By and Prepared For  
Fifth Third's REVG**

**FIFTH THIRD BANK  
RECEIVED**

**JAN 18 2008**

**REVG**

**PROJECT #C07-023-0466-01  
SUMMARY COMPLETE APPRAISAL  
OF THE MIXED USE PROPERTY  
LOCATED AT 4650 & 4652 N SHERIDAN  
CHICAGO, ILLINOIS**

This confidential report is prepared for the sole and exclusive use of Fifth Third Bank and is based in part upon documents, writings and information owned and possessed by Fifth Third Bank. This report is provided for information purposes only to third parties authorized to receive it. The appraisal/loan relationship is with Fifth Third Bank as the client. This report should not be used for any purpose other than to understand the information provided to the bank concerning the property and the appraisal.

**PREPARED FOR:**

**MR FRED VAN DE KERKHOVE  
REAL ESTATE VALUATION GROUP  
FIFTH THIRD BANK  
27255 LAHSER ROAD  
2<sup>ND</sup> FLOOR  
SOUTHFIELD, MI 48034**

**PREPARED BY:**

**PETER M. DARATA, GAA  
D&D ASSOCIATES  
23 BUCKINGHAM DRIVE  
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STATE CERTIFIED GENERAL REAL ESTATE APPRAISER**

**COLLATERAL COPY**



Real Estate Appraisers and Consultants

January 15, 2008

Mr. Fred Van De Kerkhove  
Real Estate Valuation Group  
Fifth Third Bank  
27255 Lahser Road  
2<sup>nd</sup> Floor  
Southfield, MI 48034

Re: Complete Summary Appraisal  
6-Unit Mixed Use Property  
4650 & 4652 N Sheridan  
Chicago, Illinois  
Project #C07-023-0466-01

Dear Mr. Van De Kerkhove:

The enclosed report is forwarded in accordance with the Fifth Third Bank Master Engagement Letter and Award for a leased fee market value of the above referenced property. The appraisal is for the exclusive use of Fifth Third Bank for Loan Classification purposes. No other user nor purpose is intended.

The subject property consists of free standing building containing 5 apartments and 1 gutted retail space. The apartments are located on the 2<sup>nd</sup> and 3<sup>rd</sup> floors, while the retail space is located on the 1<sup>st</sup> floor.

I have inspected the subject property, researched and analyzed the market to arrive at an opinion of the leased fee market value As Is as well as the Prospective value upon completion of the renovation. It must be noted that in this instance leased fee equals fee simple with no impact on the leasehold interest.

The subject property has been appraised as a whole, encumbered by no other interests except the leased fee estate and rights of the public to any dedicated right-of-ways and normal public utility easements, if any.

The market value estimate is subject to the statement of Assumptions and Limiting Conditions and Special Limiting Conditions contained within this report; and, to the best of my knowledge and belief, the statements of facts and conclusions expressed herein are based on true and correct information. The report was prepared in accordance with USPAP & FIRREA. Additionally, the report was prepared in accordance with FIFTH THIRD'S Real Estate Appraiser Handbook.

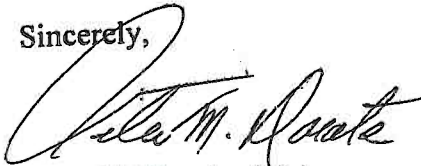
This is a summary appraisal report which sets forth a brief description and discussion of the data, reasoning, and analyses I used to arrive at the final value estimate.

In addition to this being a summary reporting format, this is also a complete appraisal developed without departure from the Uniform Standards of Professional Appraisal Practice promulgated by the Appraisal Foundation and the Appraisal Institute of which I am an Associate Member.

The accompanying report plus all applicable exhibits and supporting documentation has been prepared in quadruplicate. Three copies of the original report have been submitted to you and one copy retained by D&D Associates.

If you should have any questions in regard to this report, please call me at your convenience. We at D&D Associates truly appreciate the privilege of serving you. Thank you for your business.

Sincerely,



Peter M. Darata, GAA  
State Certified General Real Estate Appraiser  
Lic. #553.000619



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### ADDENDA

Copy of Legal Description and floor plan as proposed  
 Copy of Cost Budget for 1<sup>st</sup> floor renovation  
 Copy of Real Estate Contract  
 Copy of Rent Roll, Income & Expense Statements  
 Copy of Leases  
 Copy of Fifth Third Award and Compliance Check List

### CERTIFICATIONS

I HEREBY CERTIFY that to the best of my knowledge and belief the following is true and accurate:

The statements of fact contained in this report are true and correct.

The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, impartial, unbiased professional analyses, opinions, and conclusions.

I have no present or prospective interest in the property that is the subject of this report, and I have no personal interest or bias with respect to the parties involved. Any specified interest or bias has not affected the impartiality of my opinions and conclusions.

The appraisal assignment was not based on a requested minimum valuation, a specific valuation, or the approval of a loan. Furthermore, my engagement in this assignment was not contingent upon developing or reporting predetermined results.

My compensation for making this appraisal is not contingent upon the amount of a predetermined value or trend in value that favors the cause of the intended user, the amount of the value estimate, the achievement of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.

My analyses, opinions, and conclusions were developed, and this report has been prepared, in compliance with the Code of Professional Ethics and Uniform Standards of Professional Appraisal Practice. Moreover, to the best of my knowledge and belief, the reported analyses, opinions and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics and the Standards of Professional Appraisal Practice of the Appraisal Institute.

I have personally inspected the property described herein. Analyses, opinions and conclusions reached are limited only by the reported assumptions and limiting conditions set forth in the attached list of assumptions and limiting conditions and are my personal, impartial, unbiased professional analyses, opinions, and conclusions.

The reported statements, analyses, opinions and conclusions contained in this report are true and correct; however, no guarantee is made or liability assumed as to the correctness or accuracy of estimates and opinions furnished by others, although only those sources that were deemed reliable were sought.

The use of this report is subject to the requirements of the Appraisal Institute including possible review by its duly authorized representatives.

No other person has provided significant professional assistance in the preparation of this report, and no one other than the undersigned prepared the analyses, conclusions and opinions concerning the real estate that are set forth in this appraisal report, unless so stated here.

After careful inspection of the property and a thorough investigation of similar properties in the same or comparable area, it is my considered opinion that the estimated market value of the specified property rights described in this report, subject to the Assumptions and Limiting Conditions contained herein, and in terms equivalent to cash is:

**As Is Market Value**  
**\$1,235,000**  
**(One Million Two Hundred Thirty Five Thousand Dollars)**

**Prospective Market Value**  
**\$2,060,000**  
**(Two Million Sixty Thousand Dollars)**

**Personal Property Value**  
**\$2,500**  
**(Twenty Five Hundred Dollars)**

Respectfully submitted,

**D & D ASSOCIATES**



**Peter M. Darata, GAA**  
**ILLINOIS State Certified General Real Estate Appraiser**  
**LICENSE # 553.000619**



### EXECUTIVE SUMMARY

**Purpose of Appraisal:** To estimate the As Is and Prospective Market Values  
**Property Rights:** Leased fee interest

**Location of Property:** 4650 & 4652 N Sheridan; Chicago, Illinois  
**Census Tract:** 17031-0315.00-2  
**Flood Map:** 17031C0410F - Map Date: 11/06/2000

**As Is Valuation Date:** January 11, 2008  
**Date of Site Visit:** January 11, 2008  
**Prospective Value Date:** March 1, 2008  
**Date of Report:** January 15, 2008

**Type of Property:** Mixed Use commercial

**Improvement Description:** A site that has been improved with 1 free standing 3-story building containing 1 gutted retail space on the 1<sup>st</sup> floor, 2 apartments on the 2<sup>nd</sup> floor and 3 apartments on the 3<sup>rd</sup> floor. Building contains 19,650 square feet with a NRA of 19,400 square feet.

**Proposed Improvements:** Renovation of the store front, new checkout lanes, cosmetic fixtures and equipment in store including refrigeration coolers etc.

**Site:** 7,800 square feet  
**Land to bldg ratio:** 1.00:1  
**Parking:** Off-site  
**Present Use:** Mixed Use

**Highest and Best Use:** Present Use

**Zoning:** B3-3, Community Shopping District

**Value Indications:**

	<u>As Is</u>	<u>As Proposed</u>
Sales Comparison Approach.....	\$1,230,000	\$2,070,000
Income Capitalization Approach.....	\$1,235,000	\$2,060,000
As Is Market Value Conclusion .....		\$1,235,000
As Proposed Market Value Conclusion.....		\$2,060,000
Personal Property value.....		\$ 2,500